



DEPARTMENT OF THE ARMY
OFFICE OF THE ASSISTANT SECRETARY
CIVIL WORKS
108 ARMY PENTAGON
WASHINGTON DC 20310-0108

SEP 24 2007

MEMORANDUM FOR THE DIRECTOR OF CIVIL WORKS

SUBJECT: Bayou Meto Basin, Arkansas

This is in response to the CECW-MVD memorandum dated April 27, 2007, subject: Bayou Meto Basin, Arkansas, General Reevaluation Report and Final Environmental Impact Statement, November 2006 (Revised March 2007). The memorandum requested that the Assistant Secretary of the Army (Civil Works) approve the subject report and determine that the recommended project is technically sound, environmentally acceptable, and economic. Section 363(a) of the Water Resources Development Act (WRDA) of 1996 reauthorized the project for flood damage reduction; *"except that the scope includes ground water protection and conservation, agricultural water supply, and waterfowl management if the Secretary determines that the change in scope of the project is technically sound, environmentally acceptable, and economic, as applicable."* The report recommends three major components, which are agricultural water supply, flood damage reduction, and waterfowl management.

We have completed our review of the report and find the flood damage reduction and agricultural water supply components comply with policy. However, modifications are necessary to address concerns with the recommended waterfowl management component. The concerns include equating waterfowl management with ecosystem restoration for plan formulation and cost sharing purposes, the measures in the Herbaceous Wetland Complex (HWC) feature, and the appropriateness of Federal participation in the Bottomland Hardwood (BLH) Restoration feature.

The report assumed that the proposed waterfowl management plan should be formulated and evaluated using ecosystem restoration techniques and that it should be cost shared 65 percent Federal and 35 percent non-Federal based on law for ecosystem restoration. The Corps' assumptions were based on the lack of specific policy to address waterfowl management as a project purpose. After a thorough review of the report, I am not able to reach this same conclusion that waterfowl management is synonymous with ecosystem restoration. Our aquatic ecosystem restoration mission emphasizes modifying hydraulic and/or hydrologic conditions in order to return aquatic habitat to a less degraded and more natural state. The full recommended plan would not result in a natural, sustainable ecosystem due to the dependency on the pumping station and the operation and maintenance of numerous water control and water conveyance features. Furthermore, the plan would not increase the number of ducks, but would provide greater hunting and other recreation opportunities.

Waterfowl management is essentially conservation to sustain waterfowl populations with recreational hunting and bird watching as key outputs (see the *North*

American Waterfowl Management Plan, Department of the Interior and its counterparts in Canada and Mexico, 2004). This definition is consistent with the State of Arkansas management goal for the Bayou Meto Wildlife Management Area (WMA), *"to balance the relative quantitative and qualitative aspects of the wildlife population while insuring optimal harvest of the surplus."* The report clearly shows that the recommended waterfowl management component is not for the exclusive purpose of aquatic ecosystem restoration, but it is primarily for the purpose of expanding the lands available for hunting and bird watching. The recommended real estate instruments clearly enable landowners to continue and expand recreation activities, particularly hunting. Based on our review of the final report, I am concerned about the Federal interest in that the hunting lease provisions may provide a windfall benefit for the landowners. Given the demonstrated importance of the recreation outputs and the potential for windfall benefits, the waterfowl management component should be cost shared in accordance with recreation cost sharing law, which prescribes cost sharing equally with the non-Federal sponsor.

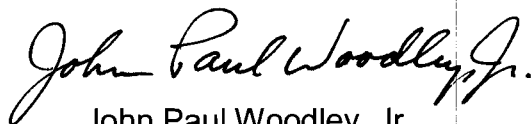
Since the National Economic Development (NED) benefits and costs for recreation and other impacts were not considered in the plan formulation and selection, it is not clear that the National Ecosystem Restoration (NER) Plan identified in the report is actually the optimum and most appropriate plan for Federal participation. However, in this case, it is not apparent that reformulating an NED/NER Plan would result in a recommendation of a different plan. Therefore, I will not require reformulation of the waterfowl management component. Any future waterfowl management plans should, however, consider the NED and NER benefits.

The recommended improvements for the state's existing Bayou Meto WMA and the Moist-Soil Habitat would clearly provide substantial waterfowl benefits and augment the capability of the existing WMA at a reasonable cost. The HWC and Riparian Buffer Restoration features would also benefit waterfowl at a reasonable cost, provided that the HWC feature consists entirely of 500 20-acre wetland/buffer units without separate upland prairie restoration. On the basis of these benefits at reasonable costs, and subject to revising the HWC feature, I have determined that these four features are appropriate to implement under the authority of "waterfowl management" as included in Section 363(a).

The BLH Restoration feature would re-forest land currently used for agriculture with BLH species if non-restrictive easements can be obtained from willing sellers. This feature involves intensive land costs coupled with tree planting that does not require Corps of Engineers expertise. Although formulated as a contiguous area, the reliance on willing sellers would likely result in a non-contiguous patchwork, which would be less effective and would diminish the return on the Federal investment, with significant NED benefits accruing to the landowners. Furthermore, the formulation relies heavily on multiple relative value indices (RVI) that introduce subjectivity and skew the objectivity of the analyses. The indices detract from the soundness of an unobscured plan formulation and selection process, and hinder the determination of economic justification. These aspects limit my ability to determine the feature's technical

soundness and economic effectiveness. Accordingly, the BLH Restoration feature can not be constructed pursuant to Section 363(a) of the Water Resources Development Act (WRDA) of 1996; however the non-Federal sponsor could construct the feature themselves, if desired. You may also explore whether existing authority would allow the Chief of Engineers to recommend construction of the features by the Corps at 100 percent non-Federal expense in conjunction with the Corps construction (see 33 USC 701h).

I have determined that the recommended project, absent the BLH Restoration feature, is technically sound, environmentally acceptable, and economically justified. The total estimated cost of the waterfowl management component absent the BLH Restoration feature would be about \$44,206,000, which would be cost shared \$22,103,000 Federal and \$22,103,000 non-Federal. The total estimated cost of the project would be about \$487,065,000, which would be cost shared \$313,978,000 Federal and \$173,087,000 non-Federal. This action completes the project authorization pursuant to Section 363(a) of the WRDA of 1996. A revised summary of the authorized project is attached. Since the project is now authorized, you may sign the Record of Decision (ROD) to fulfill the National Environmental Policy Act requirements. Please coordinate the final ROD preparation with my staff to ensure that the ROD is consistent with my determination. Any questions regarding this letter should be directed to Mr. Douglas Lamont of my office at (202) 761-0016.

A handwritten signature in black ink that reads "John Paul Woodley, Jr." in a cursive script.

John Paul Woodley, Jr.
Assistant Secretary of the Army
(Civil Works)

Enclosure